

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2011-406-C - ORDER NO. 2011-865  
JANUARY 17, 2012

IN RE: Petition of BellSouth Telecommunications,	)	ORDER GRANTING THE
LLC d/b/a AT&T South Carolina to	)	WITHDRAWAL OF
Withdraw Funds from the State USF to	)	\$1,112,111 FROM THE
Support Stand-Alone Basic Residential Lines	)	STATE UNIVERSAL
Pursuant to S.C. Code Ann. Section 58-9-576	)	SERVICE FUND

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Petition of BellSouth Telecommunications, LLC d/b/a AT&T South Carolina (“AT&T” or the “Company”) to withdraw \$1,112,111 from the State Universal Service Fund (“USF”) to support certain telephone lines. Under S.C. Code Ann. § 58-9-576(C)(9)(c), AT&T may petition the Commission to withdraw amounts from the State USF that are based on its basic stand-alone basic residential lines which remain in service since AT&T’s election to operate pursuant to the regulatory regime of S.C. Code Ann. § 58-9-576(C) on October 1, 2009.<sup>1</sup> According to the Petition, AT&T requests these funds to support 22,907 of these telephone lines during the 2012 calendar year, which equates to \$4.05 per line per month. In addition to this request for funds, Section 58-9-576(C)(9)(c) requires the Commission to establish a process for annually

---

<sup>1</sup> AT&T currently receives \$1.7 million annually from the State USF to fund the Lifeline match pursuant to S.C. Code Ann. § 58-9-576(C)(9)(d). The Commission inadvertently misstated this subsection of the statutes in the Directive dated November 9, 2011 as AT&T’s request for funds instead of the subsection mentioned above. That misstatement now stands corrected by this Order.

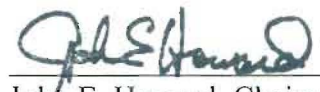
reducing withdrawals made from the State USF to support these grandfathered lines, and AT&T recommends filing a calculation of the support it seeks by July 1 of each year.

The Office of Regulatory Staff (“ORS”) has reviewed this petition and the verified testimony of AT&T witness Mr. Kenneth Minzenberger. In addition, ORS has verified that as of July 1, 2011, AT&T was providing stand-alone basic residential service to 22,907 customers. As the State USF Administrator, ORS does not oppose AT&T’s request to withdraw State USF funds for the remaining 22,907 stand-alone basic residential customers. ORS states that AT&T will use wire-center-specific “Phase 1 Support for Residential Line” amounts provided to ORS on July 1, 2011 in calculating the support it seeks pursuant to Section 58-9-576(C)(9)(c). According to ORS, this process identified by AT&T will annually reduce future State USF withdrawals and is consistent with rules established for carriers electing regulation under Sections 58-9-576(C).

Based on the foregoing, we grant AT&T’s request to withdraw \$1,112,111 from the State USF, as allowed by Section 58-9-576(C)(9)(c), and require AT&T to file a calculation of the support it seeks from the State USF on or before July 1 of each year.

This Order shall remain in full force and effect until further order of the Commission.

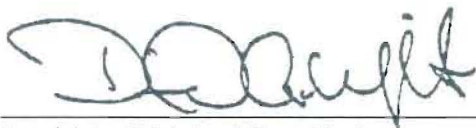
BY ORDER OF THE COMMISSION:



---

John E. Howard, Chairman

**ATTEST:**



---

David A. Wright, Vice Chairman  
(SEAL)